

Washington, DC – The budget passed by House Republicans in April 2011 makes radical changes to Medicare. The Republican plan raises costs for seniors and individuals with disabilities enrolled in Medicare, reduces their benefits, and puts private insurance companies in charge of the program. For current beneficiaries, important benefits – such as closing the hole in Medicare’s drug coverage – would be immediately eliminated. For individuals age 54 and under, Medicare’s guarantee of comprehensive coverage would be replaced with a “voucher” or “premium support” to buy private health insurance. By design, this federal contribution does not keep pace with medical costs, shifting thousands of dollars in costs onto the individual.

The Republican proposal would have adverse impacts on seniors and disabled individuals in the district who are currently enrolled in Medicare. It would:

- Increase prescription drug costs for **5,300 Medicare beneficiaries** in the district who enter the Part D donut hole, forcing them to pay an extra **\$52 million** for drugs over the next decade.
- Eliminate new preventive care benefits for **78,000 Medicare beneficiaries** in the district.

The Republican proposal would have even greater impacts on individuals in the district age 54

and younger who are not currently enrolled in Medicare. It would:

- Deny **520,000 individuals age 54 and younger** in the district access to Medicare's guaranteed benefits.
- Increase the out-of-pocket costs of health coverage by **over \$6,000 per year in 2022** and by almost **\$12,000 per year in 2032** for the **97,000 individuals in the district who are between the ages of 44 and 54.**
- Require the 97,000 individuals in the district between the ages of 44 and 54 to save an additional **\$22.7 billion** for their retirement – an average of **\$182,000 to \$287,000 per individual** – to pay for the increased cost of health coverage over their lifetimes. Younger residents of the district will have to save even higher amounts to cover their additional medical costs.
- Raise the Medicare eligibility age by at least one year to age 66 or more for **54,000 individuals** in the district who are age 44 to 49 and by two years to age 67 for **419,000 individuals** in the district who are age 43 or younger.

To view the full report from the House Committee on Energy and Commerce, please visit, <http://goo.gl/vCMLm>

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